

The Peninsula Subdivision

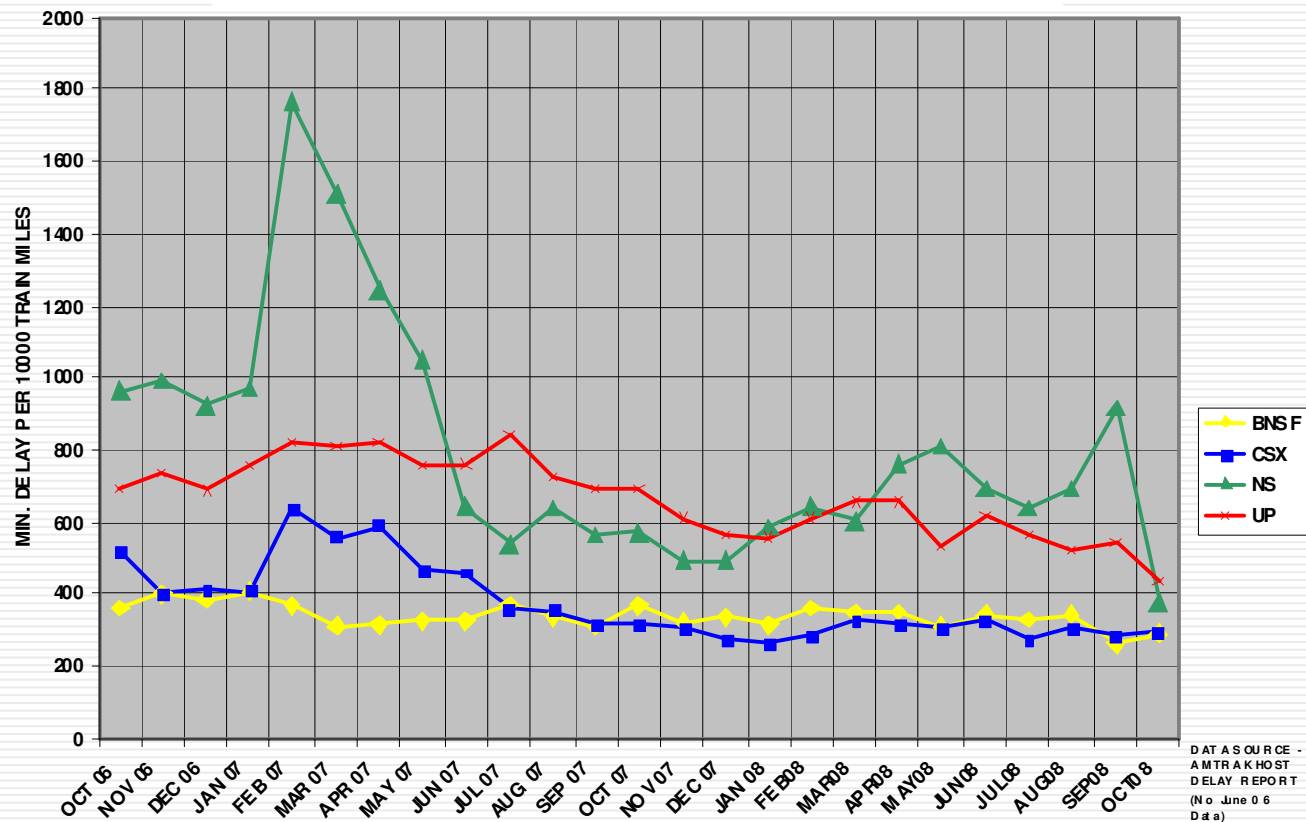
For The Virginia Rail Advisory Board

Jay S. Westbrook
AVP Public – Private Partnerships
January 8, 2009

CSXT consistently demonstrates low levels of freight interference

- Amtrak reports 100% of Freight Train Interference as delay
- A significant level of Freight Train Interference is by plan and cannot be reduced or eliminated

Freight Interference by Road



Of the 57 daily Amtrak trains operated on CSXT, the Newport News trains are some of the poorest performers

2008 CSX On Time Contract Performance	
All Amtrak Trains (57)	77.5%
All I-95 Trains (52/53, 79/80, 89/90, 91/92, 97/98)	74.1%
All Peninsula Subdivision Trains	51.9%

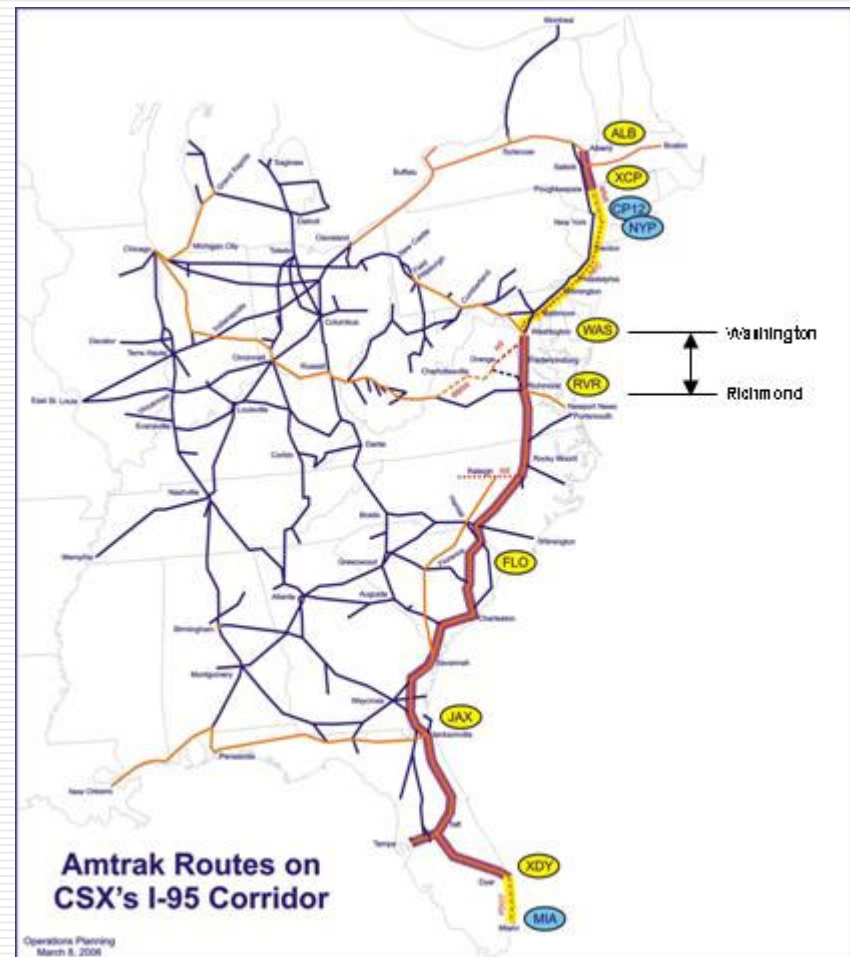
Source: CSXT-Amtrak Contract Performance System

Any given train's performance is largely driven by three factors

- Physical characteristics of the operating territory
 - Single/double track?
 - Signal System?
- The operating mix of train traffic
 - How many trains?
 - What kinds of trains?
- The validity of schedules
 - Can they be reliably maintained?
 - Do they adjust for known activities?

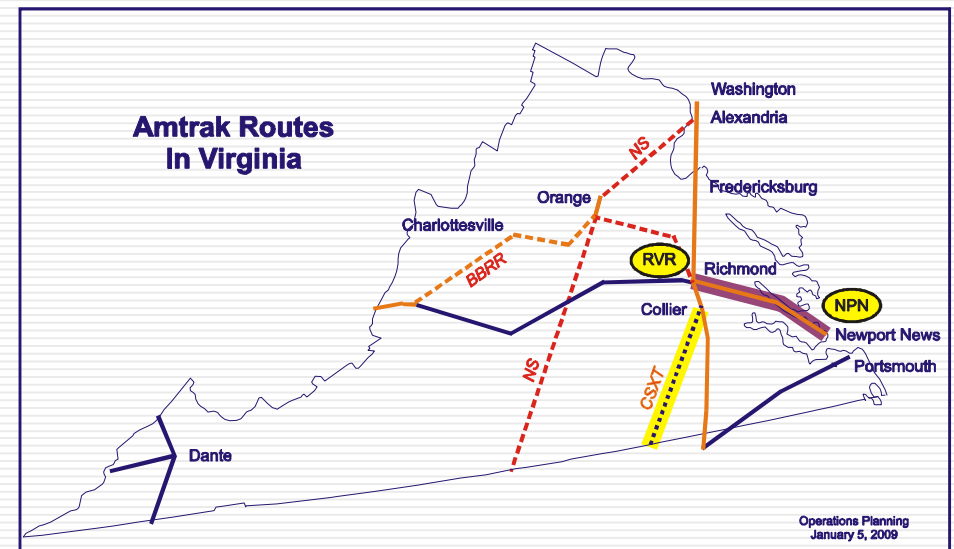
CSXT's DC to Richmond segment – the RF&P – is one of our busiest multi-use, double track corridors

- 110 miles of double track with centralized traffic control (CTC)
- 48 daily passenger/commuter trains
 - 18 Amtrak trains
 - 30 VRE commuter trains
 - 38 daily MARC trains adjacent to line
- 25 - 30 daily freight trains



In contrast to the DC to Richmond segment, the corridor from Richmond to Newport News is 61% single track

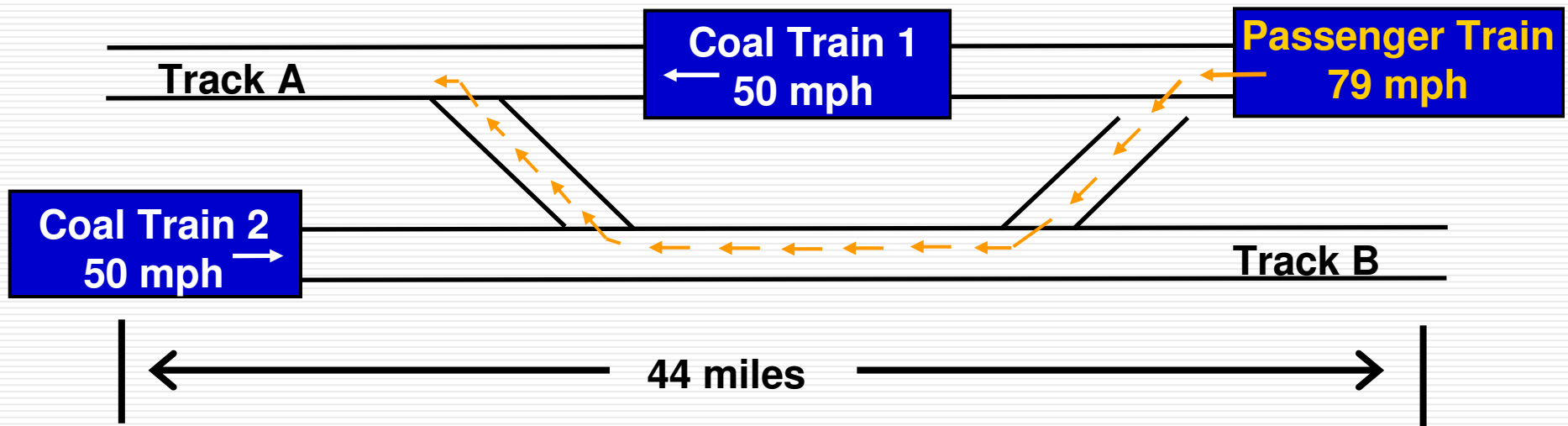
- Single and double track with ABS/CPS 261
- Amtrak trains
 - 4 Richmond to Newport News
- Freight Trains
 - 12 – 15 Fulton to Newport News
 - 16 – 27 Rivanna Jct to Fulton
 - Predominantly coal trains up to 1.5 miles in length
 - Moving far slower than Amtrak



The differences in actual and minimum run time and speeds are much larger on this route than on the RF&P

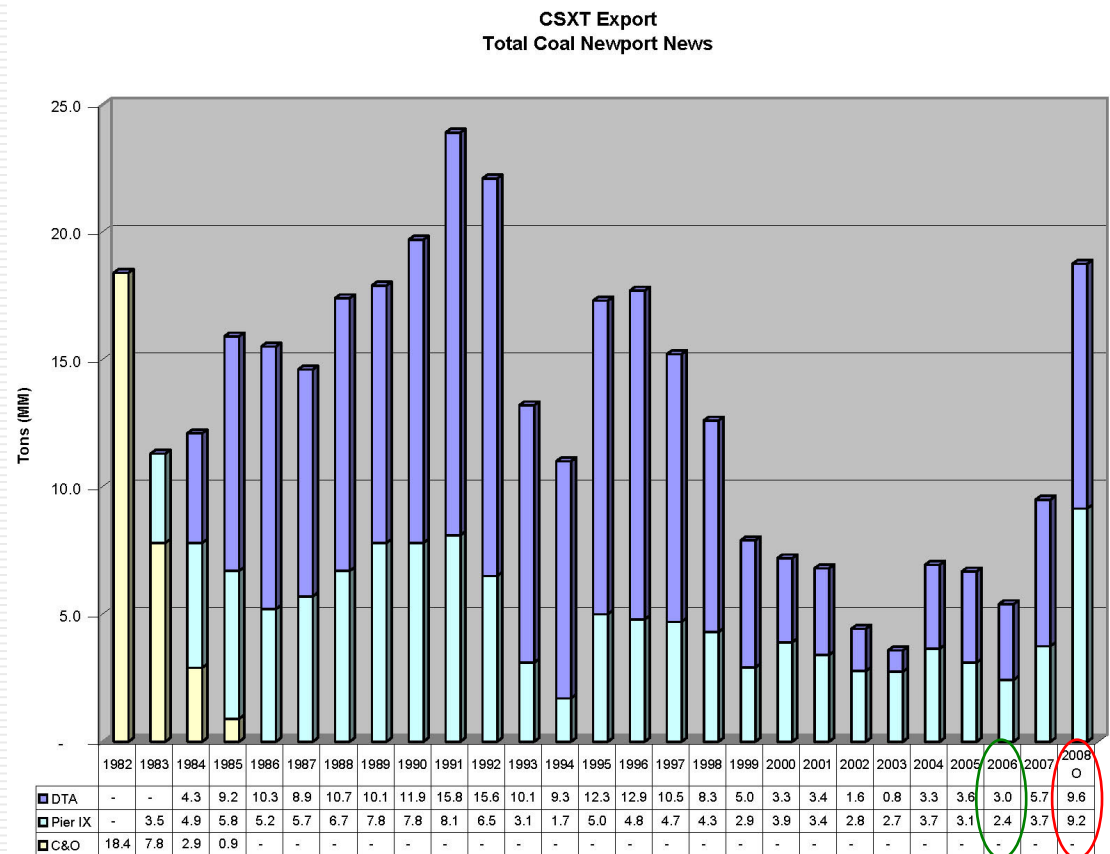
- Limited infrastructure
- Maintenance work affects all operations on single track
- Reliability low for both passenger and freight trains, but freight train impacts are extreme

Speed Differentials: An Illustration.



Newport News coal exports have surged 254% in the last 24 months to the 4th highest level in 25 years

- The recent surge in export coal was totally unanticipated
 - Unprecedented year over year growth from 2007 to 2008
- Followed decade-old trend of significantly declining loads
 - In 2006, NPN coal exports dipped to their 3rd lowest level in 25 years
 - Accordingly, planners programmed scarce capital maintenance dollars for other, more needy areas (More on this later)



3rd Lowest
in 25 Years

4th Highest
in 25 Years

Realistic schedules that reflect actual operating conditions and capabilities are essential for achieving high reliability

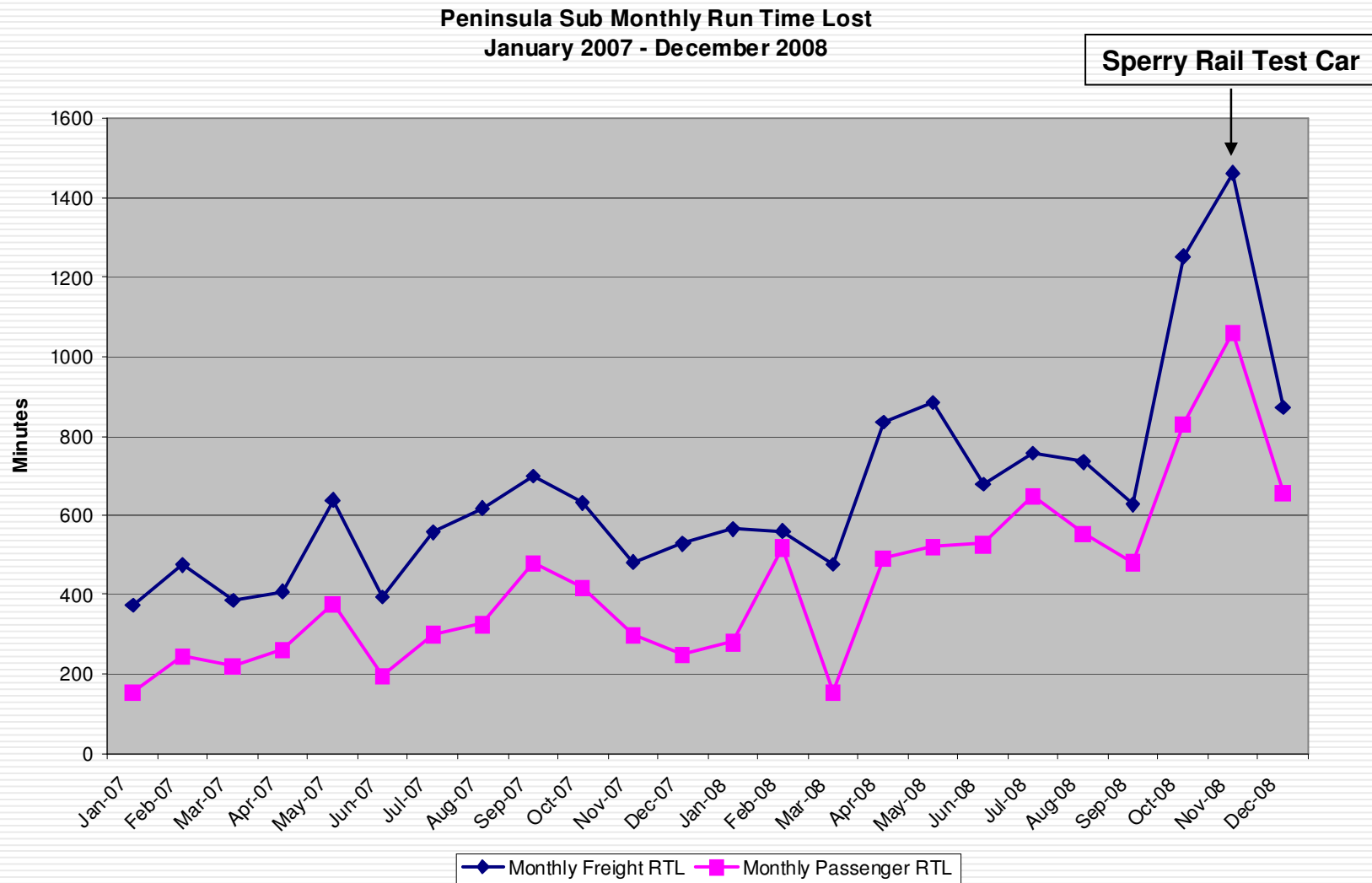
- Industrial engineering, scientific approach
- Commuter agencies such as MARC, MBTA and VRE have demonstrated that a schedule increase as small as 5" dramatically improves reliability
 - Congestion should be addressed with temporary schedule increases
 - Other changes to the operation require a permanent increase
 - Operating rule changes such as those addressing highway crossings
 - Crew reduction to one engineer requiring a train stop to copy orders
 - Station dwell to accommodate more passengers
- Amtrak meets routinely occurring near Main Street Station
- Slot compliance plays a large role; 67 & 95 were late to CSXT on 26% of their runs in November

Short Term Actions to Improve Performance

Far more capital maintenance is planned for the Peninsula this year than in the previous two years

Year	Rail (Feet)	Ties (Each)	Surface (Miles)	Total (\$M)
2007	0	0	46	\$0.50
2008	15,979	11,833	84	\$2.00
2009	23,868	34,846	120	\$4.00

Large maintenance teams begin hardening the subdivision February 17



The path to sustainable performance improvement

Extensive efforts are underway to address long term capacity issues

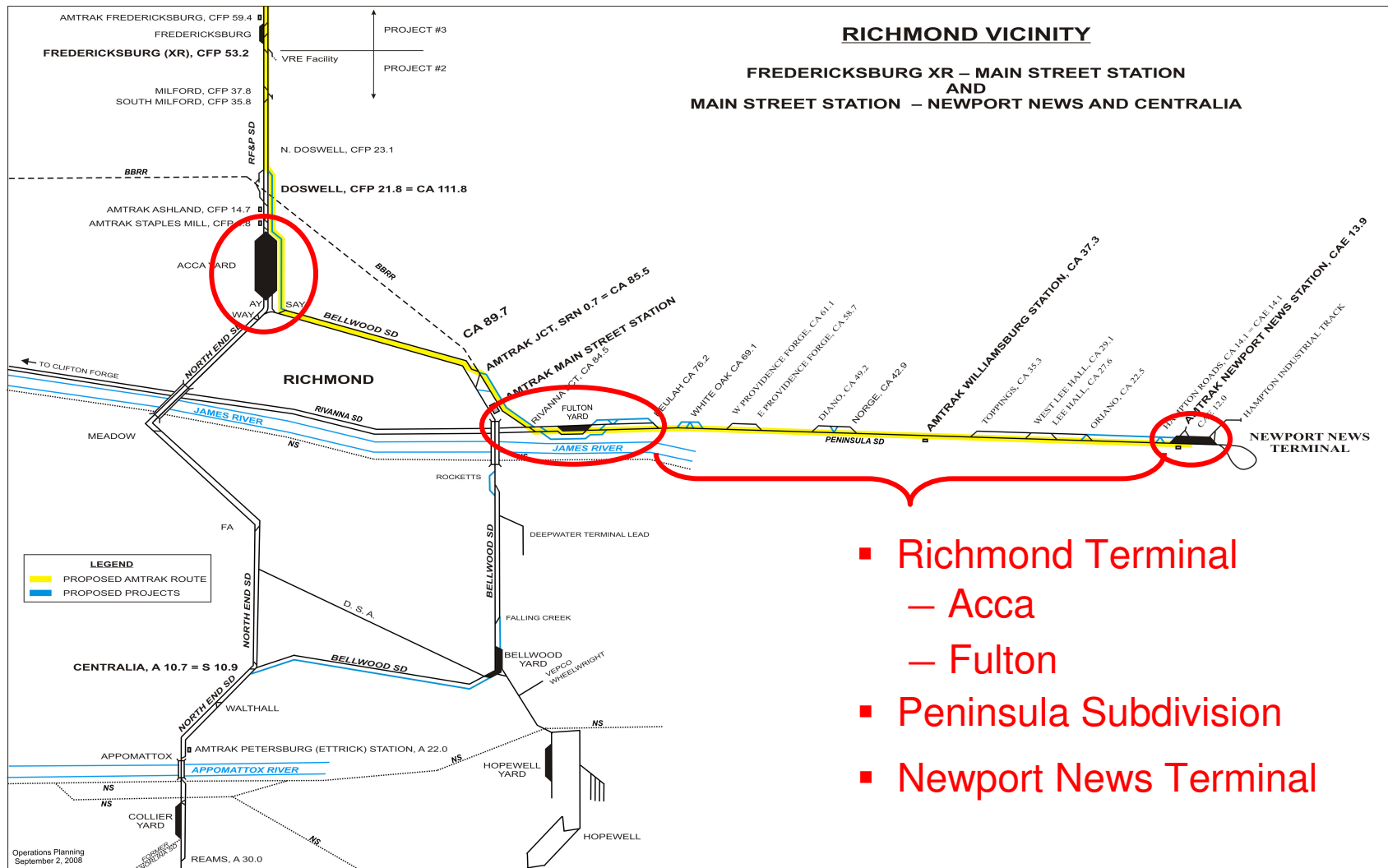
- CSXT is partnering with VA to jointly model the I-95 / I-64 corridor
 - Study extends from Washington, DC through Petersburg and to Newport News
- CSXT's 2008 Rail Enhancement Fund application was approved and provides 30% preliminary engineering and design for needed capacity projects between Fredericksburg and Newport News
- Seeking joint public funding for construction of these projects through public-private partnerships including
 - Federal Railroad Administration
 - Amtrak
 - Virginia Rail Enhancement Fund
- CSXT is independently studying the remainder of the I-95 Corridor to Miami

Congestion is common in Richmond due to the traffic volume, mix of trains and the many conflicting routes

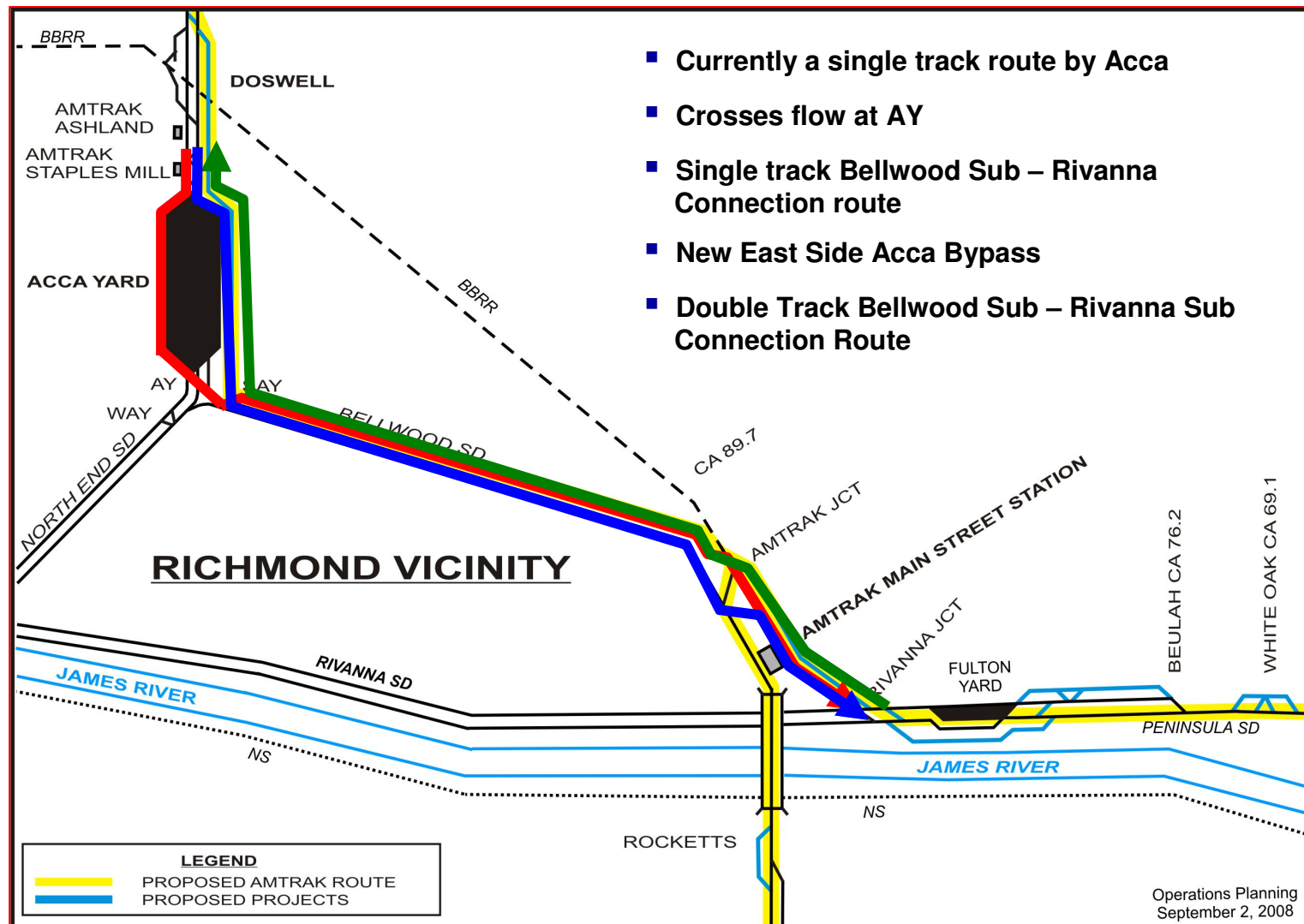
- Conflicting routes
 - **North-South:**
Intermodal, merchandise, unit, and passenger trains
 - **East-West:**
Coal moves between Clifton Forge & Newport News; returning empties via BBRR
 - **West-South:**
Coal moves between Clifton Forge and Wheelwright/Hopewell
 - **West-North:**
Coal moves between Clifton Forge and RF&P destinations
- Grain run-arounds at Fulton Yard
- Turning locomotives at AY
- Industrial switching
- Amtrak moves over SAY



Passenger service between Richmond Greendale Station and Newport News has significant issues. The key to improving performance and adding more Amtrak service is to reduce the potential conflict locations.

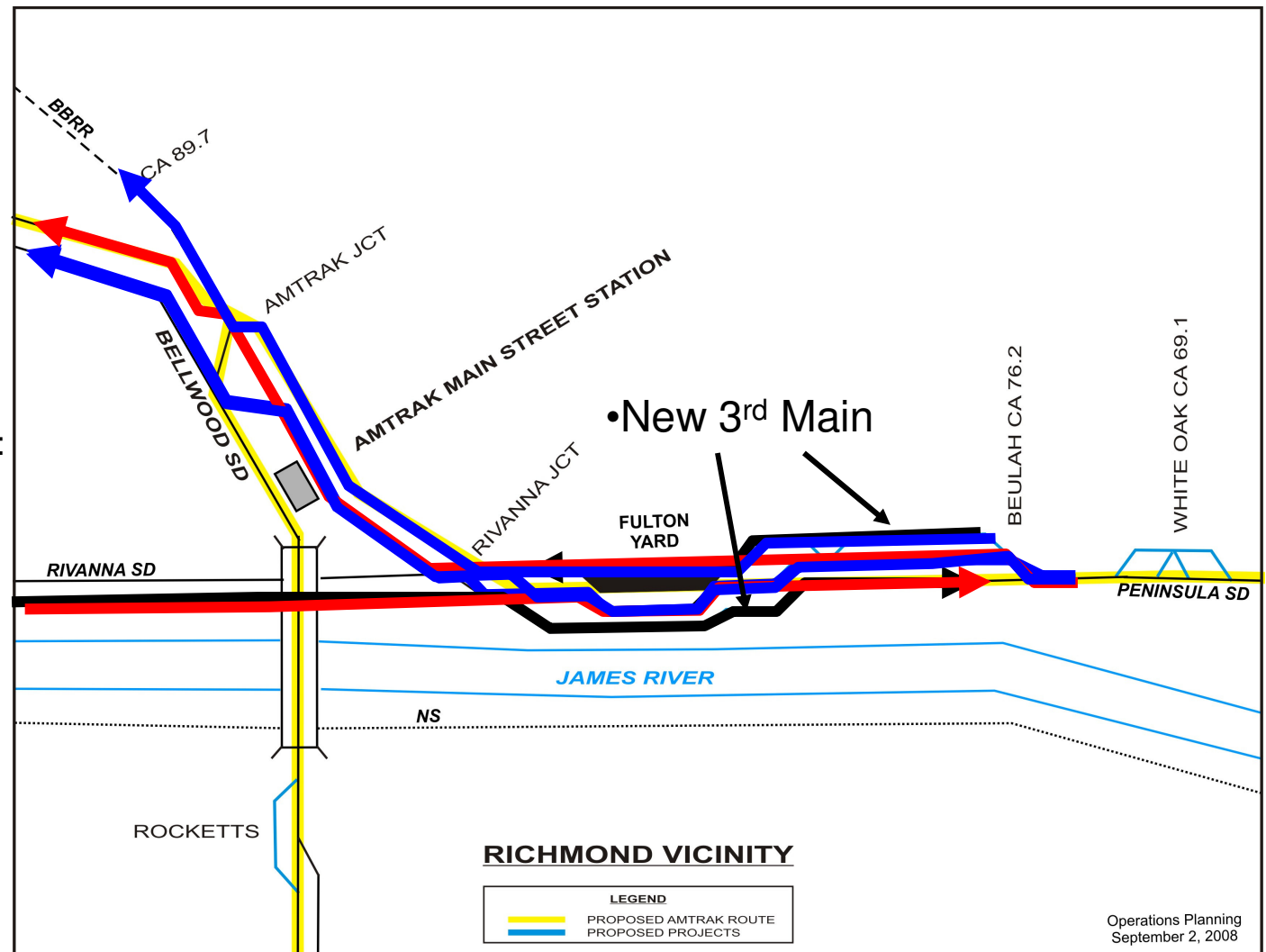


For example, the Acca Yard Passenger movements today have conflict areas.

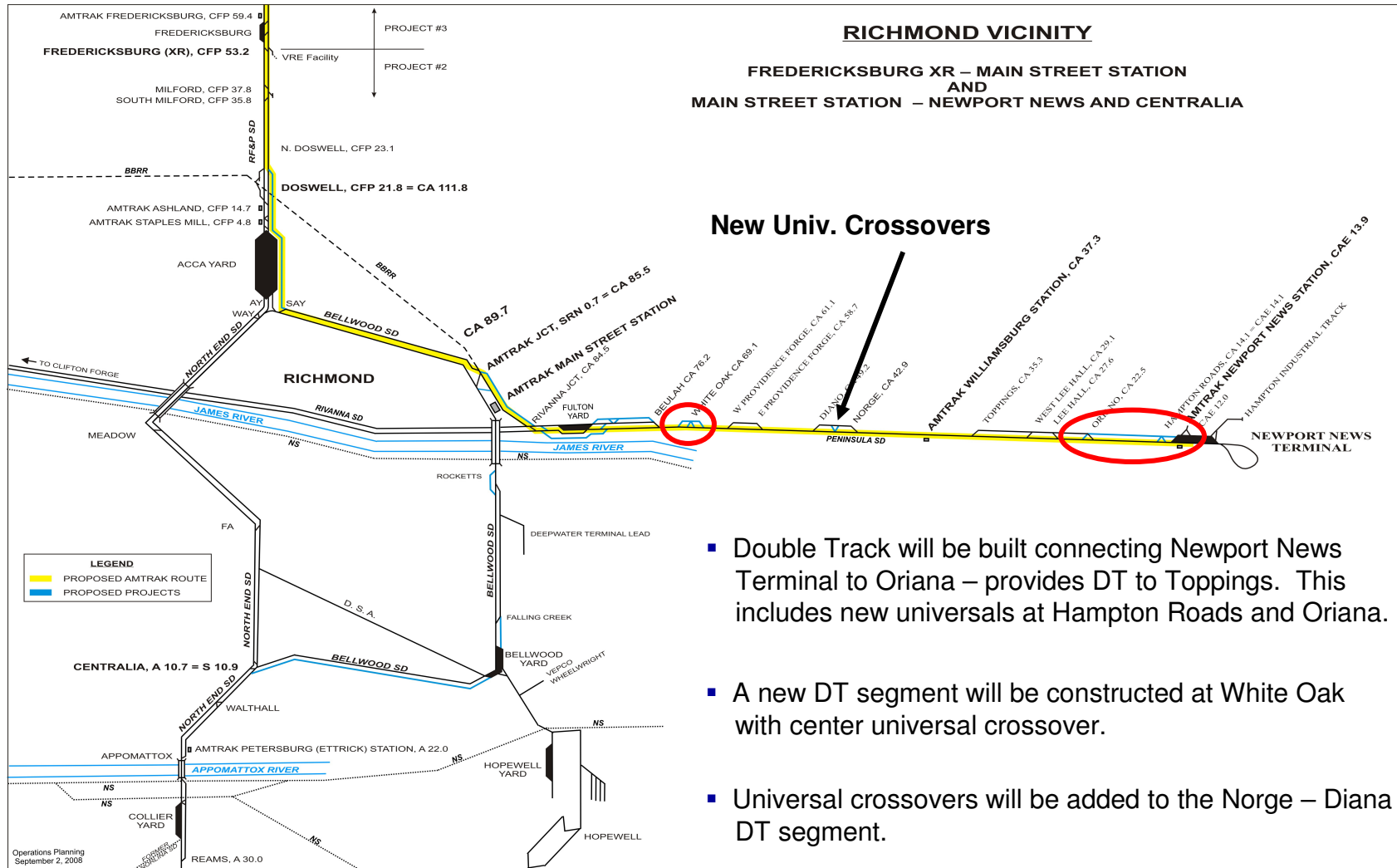


Fulton Yard Area passenger movements offer similar challenges.

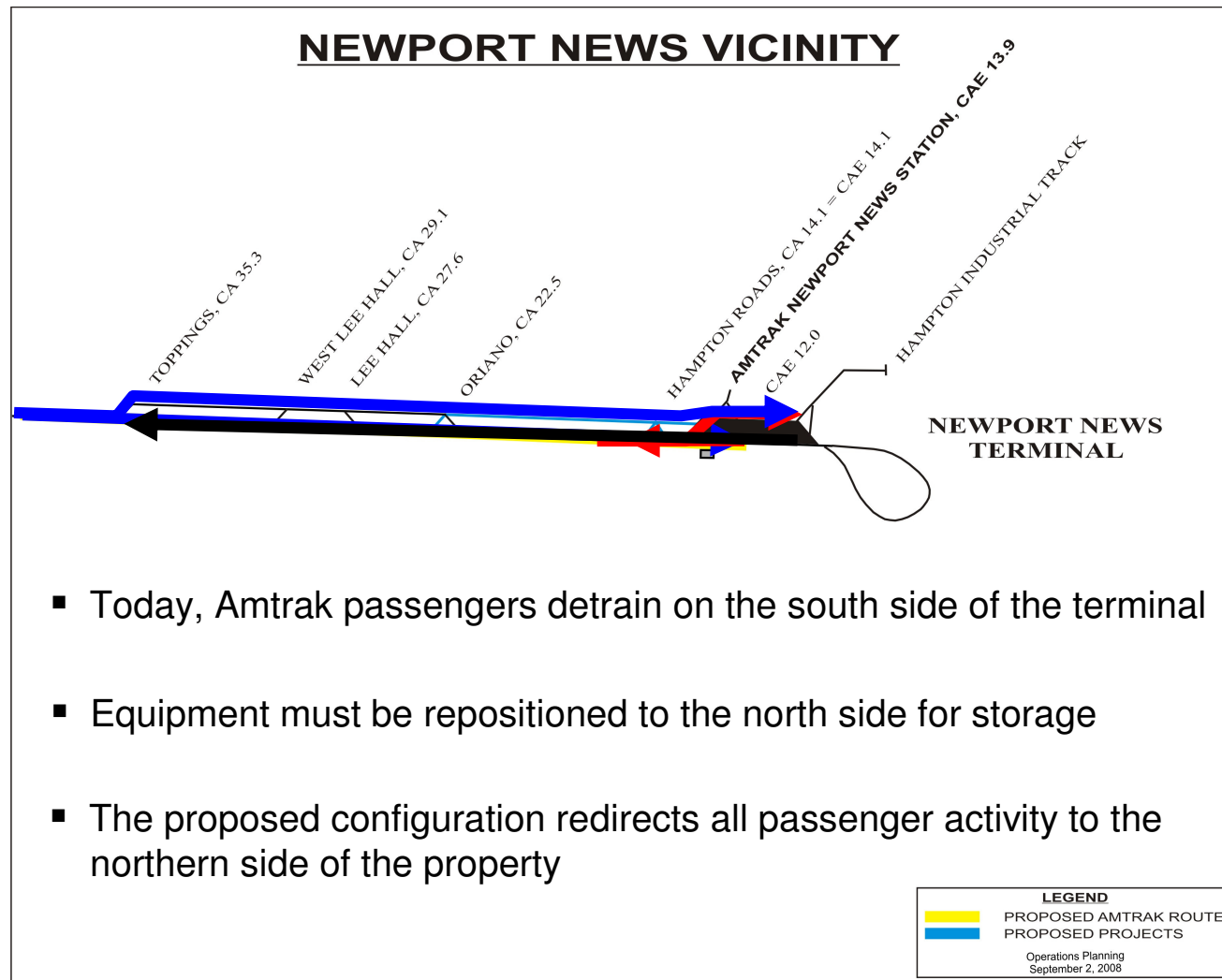
- Main on north side of the yard is operated under ABS Rule 251 Egypt to R Cabin
- New 3rd Main to be constructed between R Cabin and Beulah
- Parallel movement for:
 - Newport News and Fulton turn trains
 - BBRR/Clifton Forge bound trains
 - Amtrak trains
- Tide / Passenger
- BBRR / Passenger



Potential Peninsula Subdivision improvements include new sections of double track and new universal crossovers.



The focus in Newport News is to eliminate the interaction between coal and passenger movements.



Next steps

- Complete modeling of I-95 and I-64 corridors
 - Confirm that “new” network outperforms current
 - Insure that passenger service operates reliably
 - Protect export coal and other freight growth
- Continue developing a publicly-funded capacity enhancement plan that will enable passengers and freight to move more reliably